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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

92-2232

(Mark One)

_X_ Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended March 31, 1992.

or

___ Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the transition period from _____ to _____

Commission file number: 0-11758

American Medical Electronics, Inc.
(Exact name of registrant as specified in its charter)

Minnesota	41-1428758
(State or other jurisdiction of incorporation or organization)	(IRS Employer I.D. No.)
250 E. Arapaho Road, Richardson, TX	75081
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (214) 918-8300

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirement for the past 90 days. Yes_X_ No___

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes_X_ No___

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at May 8, 1992
Common Stock - no par value	7,307,102

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PART I--FINANCIAL INFORMATION

AMERICAN MEDICAL ELECTRONICS, INC. AND SUBSIDIARY

CONSOLIDATED BALANCE SHEETS

	March 31, 1992 (unaudited)	December 31, 1991
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 7,110,075	$ 8,112,990
Marketable securities	11,906,934	10,965,060
Accounts receivable (net of allowance for doubtful accounts of $1,175,179 and $1,154,925 in 1992 and 1991, respectively)	6,487,952	6,746,241
Refundable income taxes	269,942	450,957
Inventory	6,619,057	5,814,984
Prepaid expenses and other current assets	1,061,722	882,365
TOTAL CURRENT ASSETS	33,455,682	32,972,597
FURNITURE AND EQUIPMENT	3,300,430	2,892,692
Less allowance for depreciation and amortization	(1,363,979)	(1,232,893)
	1,936,451	1,659,799
INTANGIBLES (net of amortization of $80,151 and $255,534 in 1992 and 1991, respectively)	2,150,892	2,154,183
	$37,543,025	$36,786,579
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Note payable and current portion of long-term debt	$ 315,351	$ 195,284
Accounts payable	1,131,229	1,011,667
Accrued expenses	2,114,668	2,530,567
TOTAL CURRENT LIABILITIES	3,561,248	3,737,518
LONG-TERM DEBT	401,443	648,659
SHAREHOLDERS' EQUITY		
Preferred stock, no par value, 10,000,000 shares authorized and unissued	--	--
Common stock, 7,287,477 and 7,261,103 shares issued and outstanding in 1992 and 1991, respectively	31,202,619	31,027,615
Retained earnings	2,377,715	1,372,787
TOTAL SHAREHOLDERS' EQUITY	33,580,334	32,400,402
	$37,543,025	$36,786,579

AMERICAN MEDICAL ELECTRONICS, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF INCOME
(unaudited)

	Three Months Ended March 31, 1992	1991
Revenues	$ 7,705,253	$ 5,555,783
Cost of Revenues	1,611,590	1,198,890
Gross Profit	6,093,663	4,356,893
Expenses:		
Selling, general and administrative	4,051,265	3,327,743
Research and development	740,485	385,316
Income From Operations	1,301,913	643,834
Other Income (Expense):		
Interest income	248,200	11,747
Interest expense	(29,390)	(54,941)
Income Before Income Taxes and Extraordinary Item	1,520,723	600,640
Provision for income taxes	515,795	188,601
Income Before Extraordinary Item	1,004,928	412,039
Extraordinary Item:		
Tax benefit arising from deduction of prior years' accounting losses	--	17,000
Net Income	$ 1,004,928	$ 429,039
Earnings Per Share:		
Primary		
Income Before Extraordinary Item	$ .13	$ .07
Net Income	.13	.07
Fully diluted		
Income Before Extraordinary Item	.13	.07
Net Income	.13	.07
Weighted average shares outstanding for the period		
Primary	7,925,142	5,981,435
Fully diluted	7,925,142	6,033,905

See Notes to Consolidated Financial Statements

AMERICAN MEDICAL ELECTRONICS, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

	Three Months Ended March 31, 1992	1991
Operating Activities		
Net income	$ 1,004,928	$ 429,039
Adjustments to reconcile net income to net cash provided (used) by operating activities:		
Depreciation and amortization	211,237	127,003
Provision for losses on accounts receivable	448,694	375,960
Tax benefits from stock option and warrant exercises	110,527	--
Changes in operating assets and liabilities:		
(Increase) in accounts receivable	(190,405)	(650,748)
Decrease in refundable income taxes	181,015	--
(Increase) in inventory	(804,073)	(414,243)
(Increase) in prepaid expenses	(179,357)	(197,600)
(Increase) in other assets	(76,860)	(22,954)
Increase in accounts payable	119,562	242,280
(Decrease) in accrued expenses	(415,899)	(972,146)
Net Cash Provided (Used) By Operating Activities	409,369	(1,083,409)
Investing Activities		
Purchase of marketable securities	(941,874)	--
Purchase of furniture and equipment	(407,738)	(438,877)
Net Cash Used In Investing Activities	(1,349,612)	(438,877)
Financing Activities		
Principal payments on bank note and notes payable	(127,149)	(45,229)
Proceeds from sales of common stock	64,477	5,812
Proceeds from bank note	--	500,000
Net Cash Provided (Used) By Financing Activities	(62,672)	460,583
(Decrease) In Cash And Cash Equivalents	(1,002,915)	(1,061,703)
Cash and cash equivalents at beginning of year	8,112,990	1,153,039
Cash and Cash Equivalents At End Of Period	$ 7,110,075	$ 91,336

See Notes to Consolidated Financial Statements

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

AMERICAN MEDICAL ELECTRONICS, INC. AND SUBSIDIARY

For the Quarter Ended March 31, 1992

1. BASIS OF PRESENTATION

The consolidated financial statements consist of the accounts of American Medical Electronics, Inc. and its wholly-owned subsidiary (the "Company"). The accompanying unaudited consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Results of operations for the three months ended March 31, 1992 are not necessarily indicative of the results that may be expected for the year ending December 31, 1992. For further information, refer to the financial statements and footnotes thereto included in the Company's annual report on Form 10-K for the year ended December 31, 1991.

2. EARNINGS PER SHARE

Earnings per share are computed by dividing the net income for the period by the weighted average number of common shares and, when dilutive, common equivalent shares outstanding during the period.

3. INVENTORY

Inventory consisted of the following as of:

	March 31, 1992	December 31, 1991
Raw materials	$ 1,119,732	$ 972,706
Work-in-process	1,907,286	1,683,369
Finished goods	474,012	449,013
Field inventory	5,200,261	4,486,082
	8,701,291	7,591,170
Less reserve for refurbishment, obsolescence and lost field units	(2,082,234)	(1,776,186)
	$ 6,619,057	$ 5,814,984

4. NOTES PAYABLE AND LONG-TERM DEBT

Notes payable and long-term debt consisted of the following as of:

	March 31, 1992	December 31, 1991
Long-term lease obligation, bearing interest rates of 11 1/4% to 11 3/4%, due January 1994	$ 182,083	$ 194,883
Long-term note, net of unamortized discount of $85,289 at March 31, 1992 and $100,940 at December 31, 1991	534,711	649,060
	716,794	843,943
Less current maturities	(315,351)	(195,284)
	$ 401,443	$ 648,659

The Company's $3 million revolving bank line of credit expired on May 2, 1992. There were no borrowings under the line during the three months ended March 31, 1992. The Company's bank has agreed to expand and renew the Company's expired line of credit to a $7 million, two year unsecured line, subject to the negotiation and execution of a definitive loan agreement and the satisfaction of certain other conditions. The line would have an origination fee of .25%, provide for interest, at the Company's option, at the bank's prime rate or 1.75% above rates based on LIBOR or certain certificates of deposit rates, restrict the payment of cash dividends on shares of common stock and prohibit the creation of liens or other encumbrances on assets, and other conditions and covenants to be negotiated as part of the definitive loan agreement.

Interest paid in the three months ended March 31, 1992 and 1991 was $58,369 and $54,941, respectively.

5. SHAREHOLDERS' EQUITY

During the three months ended March 31, 1992, options to purchase 26,374 shares of common stock were exercised for proceeds of $64,477.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Results of Operations

Revenues: Revenues for the three months ended March 31, 1992 increased by 39% compared to the same period in 1991 due to increased rentals and average realized price of Spinal-Stim® and revenues from the Company's subsidiary, Levtech, Inc. ("Levtech"), a manufacturer of fixation systems, acquired in June 1991. Spinal-Stim® rentals and average realized price increased by 41% and 6%, respectively, while Levtech contributed revenues of $584,000 for the first quarter of 1992. The Company's Physio-Stim™ revenues decreased 8% from the first quarter of 1991 due to fewer product rentals and sales.

Cost of Revenues: Cost of revenues, as a percentage of revenues, decreased slightly in the three months ended March 31, 1992 compared to the same period in 1991. The improvement was primarily the result of improved return rates of rental units that can be refurbished for subsequent rental from patients who have completed treatment.

Selling, General and Administrative: Selling, general and administrative ("SG&A") expenses, as a percentage of revenues, decreased significantly in the three months ended March 31, 1992 compared to the same period in 1991. SG&A expenses increased 22% over the same period last year while revenues increased 39%. The increase in expenses primarily relates to an increase in the number of sales employees to 51 as of March 31, 1992 from 35 at March 31, 1991. In addition, certain other SG&A expenses increased as a result of the percentage increase in revenues.

Research and Development: Research and development expenses increased 92% for the three months ended March 31, 1992 compared to the same period a year ago due primarily to various research projects relating to potential additional applications of the Company's current technology and potential new products to supplement the Company's current product lines. The Company expects its research and development expenditures to continue at levels significantly above 1991 levels for the balance of 1992.

Other Income (Expense). Other income (expense) increased for the three months ended March 31, 1992 compared to the same period a year ago primarily due to income from investment of the net proceeds of the Company's public offering of common stock completed in June 1991.

Income Taxes: The provision for income taxes, as a percentage of income before income taxes and extraordinary item, increased to approximately 34% for the three months ended March 31, 1992 from approximately 31% for the same period in 1991 due primarily to the Company recognizing the benefit of various tax credit carryforwards in 1991. The Company expects a similar effective tax rate for the remainder of 1992.

Liquidity and Capital Resources

The Company's cash and marketable securities position at March 31, 1992 was approximately $19 million.

For the remainder 1992, the Company's primary sources of funds are expected to be cash from operations, and, if available and needed, a $7 million, two year unsecured bank line of credit that the Company's bank has approved subject to the negotiation and execution of a definitive loan agreement satisfaction of certain other conditions. See "Note 4 of Notes to Consolidated Financial Statements". These sources and current cash balances are expected to meet anticipated cash needs for the Company's existing operations.

The Company continually evaluates, and intends to pursue, product and business acquisition opportunities that the Company anticipates will enable it to expand its product lines. If financing is required for a particular acquisition, the Company will consider all forms available to it, including bank or other borrowings, seller financing and sales or exchanges of equity or debt securities. The Company currently has no commitments or agreements with respect to any such acquisition.

The Company plans to implement Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes," by the required effective date. Management does not anticipate that its implementation will have a material impact on the Company's consolidated financial statements.

PART II-OTHER INFORMATION

Item 1. Legal Proceedings

The Company is involved in litigation which is incidental to its business. Although the uncertainties and contingencies of litigation preclude a prediction regarding the outcome of the pending litigation, the Company believes that any liability to the Company that may arise as a result of this litigation will not have a material adverse affect on the Company's financial condition. The Company intends to defend itself against this litigation vigorously.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

There are no exhibits to this Quarterly Report on Form 10-Q.

(b) Reports on Form 8-K

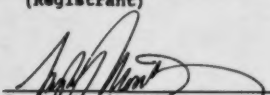
During the quarter for which this report is filed, there were no Current Reports on Form 8-K filed by the Company.

SIGNATURES

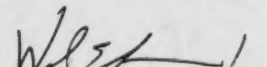
Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

DATE May 14, 1991

American Medical Electronics, Inc.
(Registrant)



Joseph Mooibroek
President and Chief Executive Officer
(Principal Executive Officer)



Wesley E. Johnson, Jr.
Vice President/Finance and Chief Financial Officer
(Principal Financial Officer)